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SUBJECT: ARGENTINA: AMBASSADOR MEETS WITH ANTI-CORRUPTION ACTIVIST
LAURA ALONSO

¶1. (U) Summary. The Ambassador met with Laura Alonso, Executive Director for Argentine NGO "Citizen Power" (Poder Ciudadano-PC) and discussed its ongoing efforts to promote government accountability and transparency at the federal and local levels. Alonso explained PC's on-going efforts to investigate alleged campaign finance irregularities in the October presidential elections and stated that the NGO intends to file a lawsuit. She also discussed PC's work to establish a network of mayors dedicated to promoting transparency policies. The Ambassador congratulated Alonso for her recent selection as an Eisenhower Fellow and for receiving the Vital Voices Global Leadership Award last April for her role as a global leader in the promotion of democracy, human rights, and legal reforms in Argentina. End Summary.

Investigations into Election Irregularities for the FPV...

¶2. (SBU) Alonso (protect) outlined PC's progress in investigating alleged campaign finance irregularities in last year's presidential elections. She stated that PC has gathered evidence of illicit campaign contributions and underreporting of campaign spending. For example, she claimed that the Kirchners' Victory Front (FPV) party has not declared all expenses associated with its campaign events, nor disclosed information on whether government resources were used to finance the campaign. In addition, Alonso alleged that the FPV has withheld information regarding campaign expenses and donors, "including the donor behind valijagate." Alonso indicated that PC will file a complaint with federal criminal judge Maria Romilda Servini de Cubria, who also has jurisdiction over electoral investigations.

¶3. (SBU) Alonso indicated that she did not think much of Servini's judicial objectiveness, and characterized Servini's judicial interventions as "terrible". (Servini has been widely criticized for her tendency to interpret the law in favor of whichever administration is in power. In 2003, contrary to Argentine law, she not only allowed the Peronist party to present two candidates in the general elections -- i.e., Menem and Kirchner -- she also decided that the FPV did not have to disclose the names nor total contributions of private campaign donors.)

¶4. (SBU) Alonso asserted that as a Criminal Judge, Servini should not have jurisdiction over cases involving electoral fraud. Although some argue that Congress would have to pass a law in order to establish a separate Electoral Court, Alonso believes that Argentina's Electoral Code has already established a process by which the Council of Magistrates should appoint judges exclusively devoted to electoral matters. She indicated that PC has begun preliminary research into the Council of Magistrates' ongoing delay in nominating Judges to preside over electoral issues.

...and Recrear

¶15. (SBU) In addition to these investigations, Alonso noted that National Deputy and recently elected President of the center-right Recrear party, Esteban Bullrich, has hired PC to examine the party's internal election structure and propose recommendations to improve the process. (Reftel reports concerns by some over irregularities in the small opposition party's recent internal elections.)

Investigation into Bullet Train Bribery Allegations

¶16. (SBU) PC is also investigating allegations into transnational bribery associated with the GOA's decision to award the building of a bullet train to the French-Spanish-Argentine consortium Alstom, Alonso stated. She pointed out that now everyone is saying that Alstom will build Cordoba city's new subway system despite the fact that a public tender for the project has not yet been announced. When the Ambassador asked if she raised these issues with the Europeans, Alonso said it was very difficult to talk to the Spanish, French, and German Embassies regarding the importance of transparency in public tenders. The Ambassador noted that in the past, the USG has worked to pressure the UK, Germany, and France to investigate bribery cases using their adhesion to the OECD Anti-Bribery Convention as leverage. He noted that U.S. companies are at a competitive disadvantage with respect to their European counterparts, since they are subject to the Foreign Corrupt Practices Act and are therefore not allowed to engage in bribery to win contracts. Alonso agreed.

GOA Allies in the Fight Against Corruption

¶17. (SBU) The Ambassador then asked who have been PC's key allies in the GOA in the fight against corruption. Alonso noted that PC has worked closely with Manuel Garrido, Federal Prosecutor in charge of administrative investigations. She indicated that PC has worked with Garrido to submit a grant proposal to the Inter-American Development Bank to develop an archive of the Prosecutor General's administrative investigations over the last 40 years.

¶18. (SBU) The Ambassador asked for Alonso's views on the GOA's Anti-Corruption Office (ACO). She indicated that PC had a better institutional relationship with the ACO's Policy Division. She expressed regret that the long-time director of the ACO's Policy Division, Nicolas Raigorodsky had moved on to the Ministry of Health, but noted that she had a strong working relationship with the new Director, Nestor Baraldi, given that he is a former PC member. She opined that the ACO's Investigation Division was "paralyzed".

¶19. (SBU) When PC does not get much traction from the federal government, they turn to working with local officials and the private sector, Alonso stated. For example, PC has reached an agreement with 15 city mayors in BA province to develop a network of mayors dedicated to government transparency and citizen participation. It has presented a concept paper to the EU in the hopes of obtaining a grant to expand the network. PC is organizing a meeting for this network in June or July, and hopes to attract an additional 15 mayors from the province.

¶10. (SBU) PC is working with the mayor of a city in Buenos Aires province who wants to hold a transparent, international public tender for trash collection. According to Alonso, the city has been under a lot of pressure from Hugo Moyano, head of the General Worker's Confederation (Confederacion General de Trabajadores-CGT) and truck-drivers union, and his son Pablo Moyano to keep the contract in the hands of the local truck-drivers union. In an attempt to make the public tender a more legitimate process, the city has signed an agreement with PC to organize public town hall meetings and develop on-line mechanisms to consult the public for their views on the matter. PC is in similar discussions with BA city mayor's Mauricio Macri, but no agreement has yet been reached, Alonso stated.

Upcoming PC Reports

¶11. (SBU) When the Ambassador asked about PC's other activities, Alonso noted that in addition to conducting Transparency International's Global Corruption Perception Index, she hopes to conduct a similar index measuring Argentine perception of corruption in their own country. She stated that this would help quantify local concern over corruption and mitigate criticism that discredits the index for only taking into account foreign perceptions. In an attempt to make corruption a more salient issue among Argentines, Alonso indicated that PC will also conduct a study of corruption in soccer clubs. The NGO is working on a report that examines GOA and Congressional efforts to increase transparency over the last ten years.

¶12. (SBU) Alonso noted that PC also hopes to participate in the Publish What You Pay Coalition's "Extractive Industries Transparency Initiative" by conducting a small study on Argentina normative framework. In late October, Alonso has been invited to serve as a panelist to discuss transparency in media communication at the 13th International Anti-Corruption Conference in Greece.

Alonso -- Vital Voices Leader and Eisenhower Fellow

¶13. (SBU) The Ambassador congratulated Alonso for her recent selection as an Eisenhower Fellow and for receiving the Vital Voices Global Leadership Award in April for her role as a global leader in the promotion of democracy, human rights and legal reforms in Argentina, particularly her pioneer advocacy for recognizing the right to transparency as a human right. Alonso thanked the Ambassador, and said that she looks forward to observing the U.S. electoral process first-hand during the two-month Eisenhower fellowship. She noted that that the Vital Voices award helped to highlight media attention to PC's fight against corruption. She said that the award ceremony itself was an opportunity to meet other remarkable leaders, adding that Corporate America's commitment to philanthropy is "impressive". While in Washington, Alonso met with organizations specializing in NGO sustainability, including one called Virtual Ventures that has applied for a USAID grant to assist three NGOs, including PC, in their efforts to achieve sustainability.

¶14. (SBU) Alonso and the Ambassador also discussed the upcoming Vital Voices Summit for women leaders from latin America which will be held in Buenos Aires in October. Alonso suggested that the Embassy host an event in June with potential Argentine corporate sponsors to drum up local financial support for the summit. The Ambassador offered to consider the possibility.

WAYNE